To: Dermer, Michele[Dermer.Michele@epa.gov]; Albright, David[Albright.David@epa.gov]

Cc: R9-Deep[R9Deep@epa.gov]

From: Robin, George

Sent: Mon 4/8/2013 6:28:15 PM

Subject: FW: (on G-drive) Inergy North Coles Levee Waterflood Report

fyi, I am reviewing this material. At some point, the DOGGR will want to discuss and/or make their decision. It depends on their decision whether EPA will have a Class 1 NH permitting application from Inergy.

I'll let you know when my review is finished or at a point where I know something. Nevertheless, there's no way of knowing DOGGR.

The 100mb sized document is named "Inergy Services Report Final 4-1-13.pdf"

I put a copy in:

G:\WTR-9\UIC\Ca DOGGR

George

From: Mike Post [mailto:mpost@inergyservices.com]

Sent: Monday, April 01, 2013 3:25 PM **To:** 'tim.kustic@conservation.ca.gov'

Cc: 'jerry.salera@conservation.ca.gov'; 'justin.turner@conservation.ca.gov'; Robin, George; 'Ann

Trowbridge'; Debra Sovay; Scott Jones

Subject: Inergy North Coles Levee Waterflood Report

Dear Mr. Kustic:

In letters dated February 1 and March 5, 2013, the Division of Oil, Gas & Geothermal Resources ("DOGGR") requested additional information from Inergy West Coast, LLC ("Inergy") demonstrating that Inergy's injection operations benefit offset production. The report linked below, the North Coles Levee Waterflood Report, prepared by WZI Inc., relies on historic and current production and injection data for

the North Coles Levee waterflood project area and shows that Inergy's injection wells currently directly benefit Central Resources' production in the waterflood project area. Specifically, the WZI Report finds that:

(1) The Inergy injection wells provide an appropriate balance for the waterflood and have extended the life of the production in the North Coles Levee waterflood project area;

(2) The production and injection rates are still following each other, indicating an ongoing connection by drive;

(3) There is no evidence of water recycling in the waterflood project area; and

(4) Central Resources and Inergy continue to communicate and coordinate concerning the waterflood activities.

The report linked below, along with the information previously supplied by Central Resources, demonstrates that Inergy's injection operations benefit offset production and, therefore, meet class II well criteria under the U.S. Safe Drinking Water Act.

Please contact Scott Jones, Director of Operations, Inergy Services, at (661)765-4087, ext. 1, if you have any questions.

A copy of the report has been sent to you via overnight delivery. Thank you.

Michael K. Post

Vice President - Assistant General Counsel

Two Brush Creek Blvd., Suite 200

Kansas City, MO 64112

Phone: (816) 714-5449

Fax: (816) 531-4680

From: Jana Fluckey [mailto:delivery@yousendit.com]

Sent: Monday, April 01, 2013 5:11 PM

To: Mike Post

Subject: Inergy North Coles Levee Waterflood Report

A file has been sent to you

from pamelaw@wziinc.com via YouSendlt.

Inergy Services Report Final 4.1.13.pdf

Size: 100.94 MB Content will be available for download until April 15, 2013 15:11 PDT.